



FAIR POLITICAL PRACTICES COMMISSION

428 J Street • Suite 620 • Sacramento, CA 95814-2329
(916) 322-5660 • Fax (916) 322-0886

November 30, 2009

✓ Ms. Lynn Kyme
Placer County Republican Party

REDACTED

RE: Advisory Letter
FPPC No. 09/694; Joel Anderson

Dear Ms. Kyme:

The Fair Political Practices Commission ("Commission") enforces the provisions of the Political Reform Act (the "Act")¹ found in Government Code Section 81000, and following. As you may be aware, the Commission was investigating whether Assembly Member Joel Anderson and Taxfighters for Anderson 2010 were in violation of the Act's campaign disclosure, transfer attribution and contribution limits provisions. Included in the investigation were two transactions made by your committee. Specifically, a contribution received from Taxfighters for Anderson 08 on June 12, 2009 for \$32,400, and a contribution made to Taxfighters for Anderson Assembly 2010 on June 17, 2009 for \$31,400.

We have determined that there is insufficient evidence to proceed with an enforcement action against you. As a result, we are closing this case with this Advisory Letter. Despite the fact that there is insufficient evidence to proceed with an enforcement action against you, the transactions in question may have been viewed in a different light had Assembly Member Anderson transferred the received funds from Taxfighters for Anderson 2010 to another campaign committee, as this would have affected the required attribution of contributions transferred from one committee to another. However, no such transfer occurred in this case, as Assembly Member Anderson did not open a new committee for another state office before returning the contributions back to your committee.

¹The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18109 through 18997 of title 2 of the California Code of Regulations. All regulatory references are to title 2, division 6 of the California Code of Regulations, unless otherwise indicated.

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Section 85306 of the Act provides the guidelines for transferring campaign funds between a candidate's own committees. Specifically, it states that a candidate may transfer campaign funds from one controlled committee to a controlled committee for elective state office of the same candidate. Contributions transferred shall be attributed using a "last in, first out" or "first in, first out" accounting method, and these attributed contributions when aggregated with all other contributions from the same contributor may not exceed the limits set forth in Sections 85301 or 85302.

Under Section 85301 of the Act, there is no limit on contributions to a political party committee to a person, as defined under Section 82047. Thus a political party committee contribution would, even if attributed under a transfer from one controlled committee to a controlled committee for elective state office of the same candidate, not be subject to limits.

It is a violation of the Act if a person contributes money to a political party committee with the intent to avoid the transfer attribution rules, where the political party committee then contributes the money back to the same person's committee for the same elective state office, and that person then transfers the money to a committee for another elective state office. Under Section 83116.5 of the Act, it is also a violation to aid and abet any other person in the violation of any provision of the Act.

The Commission publishes forms and manuals to facilitate compliance with the provisions of the Act and provides guidance regarding your obligations over the telephone and through written advice. If you need assistance, please call the Commission's Technical Assistance Division at 1-866-275-3772 or visit our website at www.fppc.ca.gov.

Sincerely,

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✓
GARY S. WINUK
Chief, Enforcement Division